

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6455

BILL NUMBER: SB 330

DATE PREPARED: Nov 19, 2001

BILL AMENDED:

SUBJECT: Financial Responsibility for Motor Vehicles.

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FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a driver of a motor vehicle to furnish proof of financial responsibility to a police officer when cited for a moving traffic offense. It provides that the second and subsequent failure to provide proof of financial responsibility to a police officer when cited for a moving traffic offense is a Class D infraction. The bill requires the Bureau of Motor Vehicles (BMV) to adopt rules providing for the notification of a driver's employer of a driver's failure to furnish proof of financial responsibility upon request to a police officer. It makes conforming amendments.

Effective Date: July 1, 2002.

Explanation of State Expenditures: Adopting rules will have no fiscal impact on the BMV. For the BMV, however, there likely will be expenditures associated with providing for the notification of a driver's employer of the driver's failure to furnish proof of financial responsibility. There are 180,000 Commercial Drivers' Licenses in the state.

Fiscal Impact

The specific fiscal impact will depend upon the number who fail to furnish financial responsibility when cited for a moving traffic offense.

Background Information

On average, about 22,000 CDLs per year are suspended or disqualified for a variety of reasons, including the failure to furnish proof of financial responsibility. If the BMV notified the employers of all 22,000 drivers, for example, who are suspended or disqualified annually, mailing expenditures for the BMV would increase by approximately \$7,800. The number of notifications actually required would likely be less than this amount.

Also, there likely would be increased administrative expenditures associated with determining and locating the name and address of the employers of the drivers. This expenditure is not determinable, but likely would include computer expenditures. The fund affected is the Motor Vehicle Highway Account which supports the BMV.

For the State Police, the Department of Natural Resources (Conservation Officers), and the Alcoholic Beverage Commission (Excise Officers), there may be additional expenditures associated with the printing of new uniform traffic tickets to include the newly required information, unless the current tickets can be modified to capture the required information. The funds affected for the State Police are: 1) State General Fund; 2) Motor Vehicle Highway Account; and 3) Motor Carrier Regulation Fund. For the Conservation Officers the funds affected are: 1) State General Fund; and the 2) Fish and Wildlife Fund. The fund affected for the Excise Officers is the Administrative Enforcement Fund.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class D infraction is \$25 which is deposited in the State General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the State General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

If a criminal action, infraction, or ordinance violation involves a traffic violation, including this proposed offense, a Highway Work Zone Fee of either 50 cents or \$25.50 is assessed.

Explanation of Local Expenditures: For local law enforcement agencies, there may be additional expenditures associated with the printing of new uniform traffic tickets to include the newly required information, unless the current tickets can be modified to capture the required information.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Bureau of Motor Vehicles; State Police; Conservation Officers; Alcoholic Beverage Commission (Excise Officers).

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: BMV financial responsibility data; Melanie Schwartz, Deputy Commissioner of the Bureau of Motor Vehicles, 233-1218.